Forecast of 12–Month Pro Forma Cash Flow

	Each of 12 months
CASH BALANCE (beginning of the month)	$____________
Cash on hand	____________
Cash in bank	____________
Cash in investments	____________
TOTAL	____________
Plus SOURCES OF FUNDS (during month):	
Cash sales	____________
Credit sales payments	____________
Investment income	____________
Loans (proceeds from)	____________
Depreciation expense	____________
Other expenses not requiring cash payment	____________
Sales of fixed assets	____________
TOTAL	____________
Less USES OF FUNDS (during month)	
Inventory purchases	____________
Purchases of fixed assets	____________
Owner(s) withdrawal	____________
Total expenses	____________
Loan repayment	____________
Other cash payment transactions	____________
TOTAL	____________
NET CASH FLOW (end of month**)**	**$**____________

Net Cash Flow at the end of one month becomes the beginning Total Cash Balance for the next month automatically. The same month–by–month estimating procedure may then be applied again and repeated for a total of twelve times to complete the required 12–month cash flow forecast.

Cash Balance: Indicate the amount of cash available when operations are begun at the beginning of one period.

Sales: Sales may be collected both on a cash and credit basis. It is important to distinguish between the two sources. Of the credit sales, differentiate amounts which can be collected within 30 days, 60 days, 90 days, and entry should be made when such receivables will actually be received.

Sources of funds: transactions usually include those which will:

*Decrease fixed assets.

*Increase long–term liabilities.

*Increase owner(s) equity.

Uses of Funds: transactions usually include those which will:

*Increase fixed assts.

*Decrease long-term liabilities.

*Decrease owner(s) equity.